

ARTICLE APPEARED
IN PAGE 1-A

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Undercover agent plans to Vesco drug tie to Cuba, Managua

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The Nicaraguan and Cuban governments have formed an "unholy alliance" with financier-fugitive Robert Vesco to bankroll and operate a massive international drug and high-technology smuggling ring, a top federal operative is expected to testify before a Senate panel today.

James Herring, a Tallahassee businessman and one-time Vesco associate-turned-government operative, will be the principal witness before the Senate Labor and Human Resources subcommittee, which has been probing communist-bloc drug smuggling operations in the Caribbean, The Washington Times has learned.

Justice Department, U.S. Customs Service and Senate investigators have spent the week debriefing Mr. Herring, who is considered by federal law-enforcement officials to be the most credible eyewitness to have emerged from the bizarre, communist-sanctioned drug underworld to date.

Mr. Herring said his testimony will cover a variety of major crimes including passport fraud, drug, high-tech and firearms smuggling, aircraft theft, contract murders, treason and insurance fraud. Nearly all those activities, he said, were financed and backed by Mr. Vesco and high-ranking Cuban and Nicaraguan officials.

Concerning Mr. Vesco's involvement with the Nicaraguan government, Mr. Herring charged that:

- The Nicaraguan Sandinista regime "made a deal" with Mr. Vesco in 1983 to set up a major drug processing and shipping operation in that country.

- Top Sandinista officials, including Interior Minister Tomas Borge and his lieutenant Fredrico Vaughn, directed the drug smuggling ring.

- Official Nicaraguan aircraft and diplomatic couriers who enjoyed immunity from searches or prosecution were used to smuggle in tens of millions of dollars in cocaine from Bolivia and Columbia.

- The Sandinistas supplied armed troops, airstrips and secure military facilities to process the cocaine and safe ports to ship it to the United States and Europe.

Mr. Vesco's services for Fidel Castro involved a variety of smuggling operations — including drugs, firearms and the importation of sophisticated U.S. computers and radios into Cuba for use there and in other communist-bloc countries, he said.

In 1983, Mr. Herring said, the "Fidel shopping lists" from Mr. Vesco were limited almost exclusively to high-technology computers. He acknowledged making four trips to Cuba with several million dollars worth of high-tech computer equipment which, he said, "could do everything from spying on U.S. air and sea operations to launching missiles."

Most of Mr. Herring's testimony will be based on his first-hand experiences with Mr. Vesco, who fled the country in 1972 to avoid prosecution by the Securities and Exchange Commission on charges he swindled an estimated \$224 million from a Switzerland-based mutual fund. Mr. Vesco remains under indictment for his alleged attempt to buy his way back into the United States with a \$200,000 contribution to former President Richard Nixon's 1972 campaign committee.

Mr. Herring said he has met with Mr. Vesco and his Cuban DGI (Secret Intelligence Police) bodyguards at his Cayo Largo mansion on several occasions.

"I always brought gifts," he said. "A bottle of Royal Crown and a tin a caviar for Mr. Vesco and any kind of nickel-plated pistol I could find for his bodyguards."

Previously, Mr. Vesco found safe havens in the Bahamas, Antigua, Costa Rica and Nicaragua, managing to stay one step ahead of federal law-enforcement officials who have tried repeatedly to capture him.

Mr. Herring said he became associated with Mr. Vesco in early 1982 through a middleman who

requested he secure "hard-to-get" items — everything from bulldozers to firearms, illegal passports and

eventually drugs. A short time later, Mr. Herring said, he made direct contact with Mr. Vesco, who informed him of his agreement with Sandinista officials to use Nicaragua as a base of operations for what would be the largest drug operation in the Caribbean.

Mr. Herring recalled Mr. Vesco's comments at the time:

"He said, 'Jim, why should we worry about finding a safe island or a landing strip, when we can have a whole country to operate from.' " Subsequently, Mr. Herring said, he was flown to Managua, where Mr. Vesco introduced him to Interior Minister Borge and his top aide, Fredrico Vaughn.

"I was treated like royalty," Mr. Herring said. "They rolled out the red carpet, wined and dined me, put me up in the best hotel — the Managua Intercontinental — provided me with air or ground transportation, anything I wanted. Borge said he was grateful to me for helping in what he called 'our special project.' "

For Mr. Herring, the "special project" involved setting up a cocaine "cutting" laboratory in the compound home of a Sandinista general. Nicaraguan planes were dispatched to Bolivia and later Colombia, where diplomatic

couriers would pick up 25 to 30 kilos of pure cocaine.

With dozens of Nicaraguan soldiers standing guard around the house — sometimes with Mr. Vesco and top Sandinista officials standing by — Mr. Herring went about the work of cutting the cocaine with chemicals, the last process before exporting the drugs.

"I don't have to tell you how safe I felt with a hundred armed soldiers protecting me," Mr. Herring said, "but it usually only took about six days to cut and pack 25 kilos of cocaine for shipment."

The drugs, he said, were shipped out of Nicaraguan ports under an ingenious method devised by Mr. Vesco. The Sandinistas leased large marine salvage winches from Europe, which were dismantled and packed with the one-pound bags of cocaine before being returned to Europe or the United States.

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